

September 19, 2005

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FDIC – San Francisco Regional Office
Director John F. Carter
25 Jesse Street at Ecker Square, Suite 2300
San Francisco, CA 94105

Re: Wal-Mart ILC Application in Utah

Dear Director Carter

I am writing to state my opposition to the Wal-Mart Industrial Loan Company application currently pending in Utah.

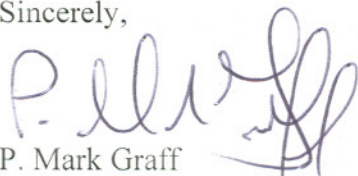
First, it would appear to me that Congress was very clear in its opposition to the mixing of banking and commerce when it enacted the Gramm-Leach Bliley Act. In my opinion the mixing of banking and commerce would represent bad public policy that could eventually jeopardize the impartial allocation of credit. It would also create an environment where dangerous conflicts of interest could arise.

Second, although the current application does not seek broad banking powers, once a charter is granted expanded powers, including nationwide branching, could be sought. The vast resources that Wal-Mart possesses could ultimately over power the community banks that are so vital to the economic welfare of our smaller rural communities in which Wal-Mart operates (such as McCook, Nebraska). Community banks have a deep vested interest in the future of our small rural communities like McCook and will gladly make substantial investments in our communities to ensure their survival.

Finally, a nationwide banking operation by Wal-Mart would pose a significant systemic risk. The potential size of a Wal-Mart banking operation would represent an ill-advised and unprecedented concentration of economic power. There are clear examples of countries where the narrow consolidation of their banking industry greatly weakened those countries' ability to weather economic downturns.

Thank you for your consideration of my thoughts on this application.

Sincerely,



P. Mark Graff
Chairman of the Board